

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To provide a complete substitute.

**IN THE SENATE OF THE UNITED STATES—109th Cong., 2d Sess.**

**S. 2590**

To require full disclosure of all entities and organizations  
receiving Federal funds.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended  
to be proposed by Ms. COLLINS (for herself,

\_\_\_\_\_  
\_\_\_\_\_)

Viz:

1 Strike all after the enacting clause and insert the fol-  
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Funding Ac-  
5 countability and Transparency Act of 2006”.

6 **SEC. 2. FULL DISCLOSURE OF ENTITIES RECEIVING FED-**  
7 **ERAL FUNDING.**

8 (a) DEFINITIONS.—In this section:

9 (1) ENTITY.—The term “entity”—

1 (A) includes, whether for profit or non-  
2 profit—

3 (i) a corporation;

4 (ii) an association;

5 (iii) a partnership;

6 (iv) a limited liability company;

7 (v) a limited liability partnership;

8 (vi) a sole proprietorship;

9 (vii) any other legal business entity;

10 (viii) any other grantee or contractor

11 that is not excluded by subparagraph (B)

12 or (C); and

13 (ix) any State or locality;

14 (B) on and after January 1, 2009, in-

15 cludes any subcontractor or subgrantee; and

16 (C) does not include—

17 (i) an individual recipient of Federal

18 assistance; or

19 (ii) a Federal employee.

20 (2) FEDERAL AWARD.—The term “Federal

21 award”—

22 (A) means Federal financial assistance and

23 expenditures that include grants, contracts,

24 subgrants, subcontracts, loans, awards, coopera-

25 tive agreements, purchase orders, task orders,

1 delivery orders, and other forms of financial as-  
2 sistance;

3 (B) does not include individual trans-  
4 actions below \$25,000; and

5 (C) before October 1, 2008, does not in-  
6 clude credit card transactions.

7 (3) SEARCHABLE WEBSITE.—The term  
8 “searchable website” means a website that allows  
9 the public to—

10 (A) search Federal funding by any element  
11 required by subsection (b)(1);

12 (B) ascertain through a single search the  
13 total amount of Federal funding awarded to an  
14 entity, by fiscal year; and

15 (C) download data included in subpara-  
16 graph (A) included in the outcome from  
17 searches.

18 (b) IN GENERAL.—

19 (1) WEBSITE.—Not later than January 1,  
20 2008, the Office of Management and Budget shall,  
21 in accordance with this section and section 204 of  
22 the E-Government Act of 2002 (Public Law 107–  
23 347; 44 U.S.C. 3501 note), ensure the existence and  
24 operation of a single searchable website, accessible

1 by the public at no cost to access, that includes for  
2 each Federal award—

3 (A) the name of the entity receiving the  
4 award;

5 (B) the amount of the award;

6 (C) information on the award including  
7 transaction type, funding agency, the North  
8 American Industry Classification System code  
9 or Catalog of Federal Domestic Assistance  
10 number (where applicable), program source,  
11 and an award title descriptive of the purpose of  
12 each funding action;

13 (D) the location of the entity receiving the  
14 award and the primary location of performance  
15 under the award, including the city, State, con-  
16 gressional district, and country;

17 (E) a unique identifier of the entity receiv-  
18 ing the award and of the parent entity of the  
19 recipient, should the entity be owned by another  
20 entity; and

21 (F) any other relevant information speci-  
22 fied by the Office of Management and Budget.

23 (2) SCOPE OF DATA.—The website shall include  
24 data for fiscal year 2007, and each fiscal year there-  
25 after.

1           (3) DESIGNATION OF AGENCIES.—The Director  
2           of the Office of Management and Budget is author-  
3           ized to designate one or more Federal agencies to  
4           participate in the development, establishment, oper-  
5           ation, and support of the single website. In the ini-  
6           tial designation, or in subsequent instructions and  
7           guidance, the Director may specify the scope of the  
8           responsibilities of each such agency.

9           (4) AGENCY RESPONSIBILITIES.—Federal agen-  
10          cies shall comply with the instructions and guidance  
11          issued by the Director of the Office of Management  
12          and Budget under paragraph (3), and shall provide  
13          appropriate assistance to the Director upon request,  
14          so as to assist the Director in ensuring the existence  
15          and operation of the single website.

16          (c) WEBSITE.—The website established under this  
17          section—

18               (1) may use as the source of its data the Fed-  
19               eral Procurement Data System, Federal Assistance  
20               Award Data System, and Grants.gov, if all of these  
21               data sources are searchable through the website and  
22               can be accessed in a single search;

23               (2) shall not be considered in compliance if it  
24               hyperlinks to the Federal Procurement Data System  
25               website, Federal Assistance Award Data System

1 website, Grants.gov website, or other existing  
2 websites, so that the information elements required  
3 in subsection (b)(1) cannot be searched electronically  
4 by field in a single search;

5 (3) shall provide an opportunity for the public  
6 to provide input about the utility of the site and rec-  
7 ommendations for improvements; and

8 (4) shall be updated not later than 30 days  
9 after the award of any Federal award requiring a  
10 posting.

11 (d) SUBAWARD DATA.—

12 (1) PILOT PROGRAM.—

13 (A) IN GENERAL.—Not later than July 1,  
14 2007, the Director of the Office of Management  
15 and Budget shall commence a pilot program  
16 to—

17 (i) test the collection and accession of  
18 data about subgrants and subcontracts;  
19 and

20 (ii) determine how to implement a  
21 subaward reporting program across the  
22 Federal Government, including—

23 (I) a reporting system under  
24 which the entity issuing a subgrant or  
25 subcontract is responsible for fulfilling

1 the subaward reporting requirement;  
2 and

3 (II) a mechanism for collecting  
4 and incorporating agency and public  
5 feedback on the design and utility of  
6 the website.

7 (B) TERMINATION.—The pilot program  
8 under subparagraph (A) shall terminate not  
9 later than January 1, 2009.

10 (2) REPORTING OF SUBAWARDS.—

11 (A) IN GENERAL.—Based on the pilot pro-  
12 gram conducted under paragraph (1), and, ex-  
13 cept as provided in subparagraph (B), not later  
14 than January 1, 2009, the Director of the Of-  
15 fice of Management and Budget—

16 (i) shall ensure that data regarding  
17 subawards are disclosed in the same man-  
18 ner as data regarding other Federal  
19 awards, as required by this Act; and

20 (ii) shall ensure that the method for  
21 collecting and distributing data about sub-  
22 awards under clause (i)—

23 (I) minimizes burdens imposed  
24 on Federal award recipients and  
25 subaward recipients;

1 (II) allows Federal award recipi-  
2 ents and subaward recipients to allo-  
3 cate reasonable costs for the collection  
4 and reporting of subaward data as in-  
5 direct costs; and

6 (III) establishes cost-effective re-  
7 quirements for collecting subaward  
8 data under block grants, formula  
9 grants, and other types of assistance  
10 to State and local governments.

11 (B) EXTENSION OF DEADLINE.—For  
12 subaward recipients that receive Federal funds  
13 through State, local, or tribal governments, the  
14 Director of the Office of Management and  
15 Budget may extend the deadline for ensuring  
16 that data regarding such subawards are dis-  
17 closed in the same manner as data regarding  
18 other Federal awards for a period not to exceed  
19 18 months, if the Director determines that com-  
20 pliance would impose an undue burden on the  
21 subaward recipient.

22 (e) EXCEPTION.—Any entity that demonstrates to  
23 the Director of the Office of Management and Budget that  
24 the gross income, from all sources, for such entity did not  
25 exceed \$300,000 in the previous tax year of such entity

1 shall be exempt from the requirement to report subawards  
2 under subsection (d), until the Director determines that  
3 the imposition of such reporting requirements will not  
4 cause an undue burden on such entities.

5 (f) CONSTRUCTION.—Nothing in this Act shall pro-  
6 hibit the Office of Management and Budget from includ-  
7 ing through the website established under this section ac-  
8 cess to data that is publicly available in any other Federal  
9 database.

10 (g) REPORT.—

11 (1) IN GENERAL.—The Director of the Office of  
12 Management and Budget shall submit to the Com-  
13 mittee on Homeland Security and Governmental Af-  
14 fairs of the Senate and the Committee on Govern-  
15 ment Reform of the House of Representatives an an-  
16 nual report regarding the implementation of the  
17 website established under this section.

18 (2) CONTENTS.—Each report submitted under  
19 paragraph (1) shall include—

20 (A) data regarding the usage and public  
21 feedback on the utility of the site (including  
22 recommendations for improving data quality  
23 and collection);

1 (B) an assessment of the reporting burden  
2 placed on Federal award and subaward recipi-  
3 ents; and

4 (C) an explanation of any extension of the  
5 subaward reporting deadline under subsection  
6 (d)(2)(B), if applicable.

7 (3) PUBLICATION.—The Director of the Office  
8 of Management and Budget shall make each report  
9 submitted under paragraph (1) publicly available on  
10 the website established under this section.

11 **SEC. 3. CLASSIFIED INFORMATION.**

12 Nothing in this Act shall require the disclosure of  
13 classified information.